



JOBS OR POLITICS: A moment of truth

by Senator Norm Coleman

Ask anyone what America needs most this year and at the top of their list is more good paying “jobs.” Right now, the U.S. Senate has a golden opportunity to create these jobs but, unfortunately, seizing the chance is not a slam dunk in an election year. The issue is legal reform and our efforts to reign in runaway, frivolous, and costly class action law suits that drain our economy, make us less competitive in the world, and cost hard working Minnesotans their jobs. As the Senate once again takes up this critical issue, we are going to learn what’s foremost on the minds of Senators these days: jobs or politics.

While the tax relief the President proposed and a bipartisan majority in Congress approved has created 1.5 million jobs over the last 10 months, we need to keep it going. We need to pass an Energy Bill, a Highway Bill, and legal reforms like class action that together would generate over 3.5 million jobs. A majority in the Senate agrees — but a minority of Senators has stood in the way. For a former mayor who had to work across the aisle in order to get anything done, partisan gridlock like this has been one of the few but greatest disappointments over the last 18 months I have had the privilege and honor of serving you in the United States Senate.

Why is class action reform so important? Well, anyone truly concerned about stopping the offshoring of American jobs to places like India, China, and the like must also care about legal reforms, which our nation’s manufacturers have said bloat U.S. manufacturing costs by a whopping 22%. One way to do away with these unnecessary costs to doing business and to keep and grow jobs here at home is to finally pass the Class Action Fairness Act, which 62 senators Democrats and Republicans support but which a determined minority of members have stalled.

Now, some class action lawsuits have been good for consumers. They have allowed a large number of people spread across the country to get together to get justice from those who have done wrong. No individual could afford to sue a big corporation for relatively small damages. But together as a “class,” individuals can get their day in court.

Unfortunately the benefits that class action suits offer are too often overshadowed these days by the abuse of those seeking huge attorney’s fees who exploit the system, harm our economy, hurt consumers, and, yes, cost America jobs. Blockbuster was sued in Jefferson County, Texas. Members of the class got \$1 coupons. Their lawyers got \$9 million. In a California computer case, consumers got \$13 rebates and their lawyers got a \$6 million fee. Whose interest is really being served?

The Class Action legislation that the vast majority of Senators are backing would close the loopholes by preventing lawyers from “forum shopping,” a fancy term describing the hunt for a judicial slot machine sure to pay out — every time. This hunt has increased class actions by 1,000 percent in the last decade! So what began as good thing for consumers has become a parasite on the economy and a threat to America’s economic competitiveness and jobs.

The bill before the Senate today not only plugs this drain on our nation’s economy, but it addresses front and center the main objections raised by opponents, including a Class Action Bill of Right to ensure that consumers are fully protected and fairly compensated when they are wronged. So, now comes the moment of truth: what do you care about, jobs or politics? That’s the question Minnesota’s 8,000 manufacturing employers and 350,000 hard working men and women in our state deserve an answer to.

My answer is jobs.